

### AEA FUNDING

	<u>AEA Fund Reductions:</u>	<u>Additional Part B Funding</u>
2001-02	\$ 7.5 Million	\$6.5 Million
2002-03	7.5	6.3
2003-04	27.5 (\$10 million in Balances)	6.7
2004-05	19.3 (\$7.5 Made permanent, \$10 continued, \$1.8 across the board cut)	5.8
2005-06	\$11.8 cut continued	0
2006-07	\$ 3.8 million restored	0

**AEA total controlled funding (property tax and state aid)  
comparison:**

**2001-02 - Controlled budget was originally... \$152,528,426**

**2006-07 - Controlled funding is..... \$155,831,396**

# FUNDING HISTORY AND THE IMPACT ON THE MISSISSIPPI BEND AEA

Each year legislators are faced with difficult decisions about how the state's revenues will be distributed to ensure that Iowa remains a leader in providing quality services for its residents. During the last five fiscal years, the area education agencies statewide have sustained substantial reductions to budgets that were already being stretched to provide the many services that our local school districts need for preschool and K-12 students.

Below is a summary of the funding cuts experienced by the Mississippi Bend Area Education Agency. This information is being provided to give a better understanding of how reductions in funding affect services the AEA provides to local school districts at a time when they, too, are faced with reduced budgets and increasing needs to meet federal and state requirements.

## CLASSROOM IMPACT

- Larger case loads of AEA staff to students
  - ◆ Kids do not get speech services as often
  - ◆ Kids are not tested as quickly
  - ◆ Teachers do not receive support for struggling students as quickly
- Struggling to reach performance indicators established by Iowa Dept. of Education and Federal Office of Education

## REDUCTIONS AND REVERSION HISTORY OF STATE CONTROLLED FUNDING

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
\$10M cut for AEAs		\$1,009,665	\$1,009,665	\$1,009,665	\$1,009,665
2.5% statewide cuts		182,832	182,832	182,832	182,832
Return 10% of cut		-18,283			
Fund balance reversion	\$468,138				
Cuts restored					-379,895
<b>Total</b>	<b>\$468,138</b>	<b>\$1,174,214</b>	<b>\$1,192,497</b>	<b>\$1,192,497</b>	<b>\$812,602</b>
<b>FTE cuts due to reductions</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>11</b>

These reductions have required the Division of Special Education to operate with a negative fund balance. This negative fund balance has been offset by other budgets causing cuts across the Agency.



*The mission of the Mississippi Bend Area Education Agency is to improve teaching and learning for all students through active partnerships and assertive leadership in a climate of mutual respect.*

For more information, contact:

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